

From: Bob Sussman/DC/USEPA/US
Sent: 3/14/2012 11:04:32 AM
To: Bob Perciasepe/DC/USEPA/US@EPA; Richard Windsor/DC/USEPA/US@EPA
CC:
Subject: Fw: Fracking Letter from 109 Orgs

FYI

Robert M. Sussman
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From: Alex Rindler [mailto:arindler@ewg.org]
Sent: Tuesday, March 13, 2012 3:21 PM
Subject: Fracking Letter from 109 Orgs

Attached and provided below please find a letter to President Obama from 109 organizations in 16 states outlining concerns with the administration's premature endorsement of hydraulic fracturing and shale gas drilling amidst ongoing federal studies.

Additionally, a summary of the US Geological Survey's assessment of New York's plan to allow for shale gas drilling and hydraulic fracturing is accessible here: <http://www.ewg.org/report/federal-scientists-warn-ny-fracking-risks>. Many of the issues flagged by federal experts may pertain to other states considering development of natural gas resources.

Please do not hesitate to contact me should you have questions.

Alex

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March 5, 2012

President Barack Obama

The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

We are writing to express serious concerns about your remarks on natural gas drilling in the State of the Union address. We represent 109 organizations in 16 states that together have more than 3 million members and supporters. Many of our communities have been harmed by reckless natural gas drilling and hydraulic fracturing or are facing the prospect of drilling and “fracking” without adequate safeguards.

Although we were encouraged by your stated commitment to safe development of natural gas reserves and by your insistence on disclosure of chemicals used in drilling on federal lands, we were troubled by your claim that government investment in shale gas drilling and hydraulic fracturing has been a clear-cut success story.

In response to the public’s justifiable concerns, the Environmental Protection Agency is currently conducting two studies to determine whether hydraulic fracturing can contaminate groundwater. Until now, there has been very little research on this question. In its draft report on one study, the EPA has already concluded that hydraulic fracturing was a likely cause of groundwater contamination in Pavillion, Wyo. This finding is similar to EPA’s conclusion in a 1987 report to Congress that hydraulic fracturing could – and did – contaminate underground water supplies. The other ongoing EPA study is national in scope, and the agency is scheduled to release initial findings later this year, with additional findings planned through 2014.

Separately, the EPA recently found in an ongoing investigation that four water wells in Dimock, Penn. contained hazardous substances two years after the Commonwealth of Pennsylvania found that these wells and others nearby had been contaminated by shale gas drilling activity. Pennsylvania officials estimate that extending public water lines to the 19 families in Dimock whose water was polluted by improper drilling would cost \$12 million. In neighboring New York state, officials estimate that if shale gas drilling were to contaminate New York City’s upstate water supply, the city would have to build a water filtration plant at a minimum cost of \$8 billion, with operating expenses of \$200 million a year – if the water could be cleaned up at all. There and in a number of other states, lenders and public officials are increasingly worried that natural gas and oil leases may violate the terms of the mortgages or title insurance on a potentially large number of homes and make it difficult for owners to sell or refinance.

Amid mounting evidence of the harm and significant costs associated with drilling and fracking, it is simply premature to declare that government investment in shale gas drilling and hydraulic fracturing has been a success.

In addition, your statement that “we have a supply of natural gas that can last America nearly one hundred years” was troublesome. As the Department of Energy makes clear, the nation *may* have a 100-year supply – *if* drilling companies can economically extract the “technically recoverable” gas that scientists believe is in the ground and *if* the rate of consumption remains constant. Those are very big assumptions, as the Department of Energy recently demonstrated when it significantly reduced its estimate of recoverable shale gas. Exports may also reduce the domestic supply. Hundreds of internal drilling industry emails and documents uncovered by the New York Times last year cast doubt on how much shale gas can be recovered. We cannot rely on an energy policy based on the industry’s false assumptions, nor can we justify lax regulation in the fond hope that shale gas drilling will be a magic bullet to meet the nation’s energy needs.

We are also skeptical of your claim that natural gas drilling “will support more than 600,000 jobs by the end of the decade.” The drilling industry’s job creation claims can be illusory. New wells and pipelines are often installed by skilled itinerant workers already employed in the industry. New York state officials predict that if shale gas drilling is allowed there, 77 percent of the workers in the first year will come from out of state, a clear indication that they are already working in the drilling industry.

Thomas Power, former chairman of the University of Montana economics department and an authority on energy industry employment, commented to the New York Times that more drilling is “not going to make a dent in the unemployment rate, because the vast majority of people who have those skills are very busy right now pursuing oil and gas.”

You are no doubt also aware that natural gas drilling is an inherently risky activity, as the industry itself concedes in its filings to the Securities and Exchange Commission. These records, designed to protect investors, cite a daunting litany of explosions, leaks, spills, environmental damage, lack of insurance, bodily injury and even death. Drilling companies themselves call these risks among the “most significant” they face.

Despite such risks, natural gas and oil companies enjoy exemptions from seven key federal environmental laws, including the Safe Drinking Water Act, the Clean Water Act and the Clean Air Act. State laws, meanwhile, typically allow companies to operate dangerously close to people’s homes and drinking water sources. And states do not require disclosure of drilling risks when companies lease drilling rights from landowners – a process that one major gas producer, Oklahoma City-based Chesapeake Energy Corp., proudly called a “land grab.” Citizens in several states have criticized drilling companies for deceptive leasing tactics. You rightfully cited the recent financial crisis as an example of a dangerous lack of regulation. Allowing drilling companies to operate with only minimal oversight sets the stage for another preventable disaster.

Your administration deserves credit for moving ahead with the essential scientific research and basic disclosure that can help hold the industry accountable. But endorsing shale gas drilling and hydraulic fracturing before we know whether these innovations can be deployed safely will make it more difficult to develop safeguards that will provide us with energy while protecting our drinking water, homes and health.

Sincerely,

Kenneth A. Cook, President

Environmental Working Group

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